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*Attorneys for Intervenor Exxon Mobil Corporation, as indemnitor,  
and Third-Party Defendant Ancon Insurance Company*

HOME INSURANCE COMPANY,

Plaintiff,

vs.

CORNELL-DUBILIER ELECTRONICS,  
INC., et al,

Defendants.

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION: MERCER COUNTY

Civil Action

Docket No. MER-L-5192-96

**CERTIFICATION OF D. CHRISTOPHER HECKMAN IN SUPPORT OF  
EXXON MOBIL CORPORATION'S MOTION FOR SUMMARY JUDGMENT  
AGAINST THE LONDON MARKET INSURERS ON INDEMNITY  
WITH RESPECT TO THE EXXON LONDON POLICIES**

I, D. CHRISTOPHER HECKMAN, of full age, hereby certify as follows:

1. I am the general counsel for Exxon Mobil Risk Management, Inc., (formerly known as Exxon Insurance Services Corp.) (hereinafter, "EMRM"). I am also Senior Counsel for Exxon Mobil Corporation (formerly known as Exxon Corporation) ("Exxon"). I submit this Certification in support of Exxon's motion for summary judgment against the London Market Insurers (the "LMI") with respect to indemnity for the Cornell-Dubilier Electronics, Inc.'s ("CDE's") claims under the Exxon London Policies.

2. On or about June 30, 2000, Exxon and a number of its liability insurers executed a Settlement Agreement and Release related to coverage for environmental claims having the potential to exceed one billion dollars ("2000 Settlement Agreement"). Among the insurers subscribing to the 2000 Settlement Agreement were the then-solvent insurers on the policies that have been referred to as the Exxon London Policies in this litigation. The Exxon London Policies are also the 1979 through 1983 policies that were the subject of CDE's motion for summary judgment, dated June 15, 2010. The 2000 Settlement Agreement provided, *inter alia*, for the mutual release of claims for coverage involving environmental liabilities and an indemnity for certain claims of Exxon's former affiliates. A true and accurate copy of the 2000 Settlement Agreement is annexed hereto as Exhibit A, except that the settlement payment amount in Paragraph 2.1 and Exxon's Chase Bank Account No. in Paragraph 2.2 have been redacted.

3. LMI and Exxon entered into this 2000 Settlement Agreement to settle certain claims for insurance coverage under the Exxon London Policies and other policies issued by insurers in London and around the world, which were the subject of a California litigation captioned as *Exxon Corp., Ins. Co. of N. Am.*, No. 971376 (Calif. Super. Ct, San Francisco

County, filed July 28, 1995). Importantly, the CDE claims then-pending in New Jersey were not disclosed by the LMI to Exxon, and were not expressly referenced in the parties' 2000 Settlement Agreement.

4. The 2000 Settlement Agreement provides an indemnity, whereby:

- 4.1 . . . EXXON agrees that it shall defend, indemnify, save, and hold harmless each of the LONDON MARKET INSURERS that is entitled to benefit from the mutual release set forth in Section 3 above from and against all claims, including claims for indemnity, defense, subrogation, reimbursement, and/or contribution arising out of the POLICIES and relating to ENVIRONMENTAL LIABILITY asserted by . . . (d) any former SUBSIDIARY or AFFILIATE of EXXON.

5. The 2000 Settlement Agreement does not provide for an indemnity of present or past claims. As written, the 2000 Settlement Agreement contemplates indemnity only for future claims. In contrast, the release that Exxon and the LMI negotiated specifically and explicitly includes all past and present claims. Indeed, in Paragraph 3.1, Exxon expressly releases the LMI from "any and all past, present, or future claims, of any type whatsoever, that Exxon ever had ...." Similar language is plainly absent from the indemnity provision.

6. In connection with the defense of claims subject to the indemnity, Paragraph 4.2 of the 2000 Settlement Agreement provides in pertinent part as follows:

- 4.2 Inasmuch as any claims identified under Paragraph 4.1 may affect the rights and interests of all PARTIES, the PARTIES shall consult and act in good faith in responding to and defending against such claims.

7. The first notice that Exxon received that the LMI considered CDE's claims in this action to be subject to the Exxon London Policies and the indemnity contained in Paragraph 4.1 of the 2000 Settlement Agreement was in a letter from Mendes & Mount, LLP to Exxon Mobil Risk Management, Inc., dated March 18, 2009. A true and accurate copy of this letter is annexed

hereto as Exhibit B. At no time prior to Exxon's receipt of that letter did the LMI notify Exxon of the claims asserted by CDE in 1992 and 1998 against the Exxon London Policies.

8. In this March 18, 2009 letter, the LMI, through their counsel, asserted: "Recently, CDE ... changed its position and asserted coverage as an insured under policies in force from 1980 through 1983 severally subscribed by London Insurers that name "Exxon Corp." (now Exxon) as the insured ("Exxon London Policies")." In this letter, the LMI also asked Exxon to confirm its indemnity obligation. The LMI also referenced Paragraph 4.2 of the Settlement Agreement and proposed that they would "consult and work with Exxon in responding to the claims." The LMI's counsel noted in the last paragraph of the letter that motions were then pending "that impact the Exxon London Policies."

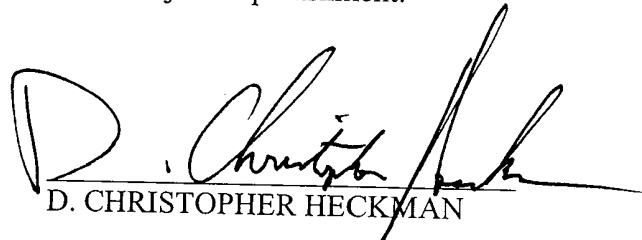
9. Exxon did not acknowledge an indemnity liability at that time because the referenced motions sought sanctions from the LMI for bad faith discovery responses no indemnity obligation existed for claims related to such conduct. The indemnity provided for under the 2000 Settlement Agreement did not indemnify the LMI for their own negligence or misconduct.

10. On or about May 7, 2010, Exxon received a draft letter from CDE's counsel indicating that CDE would be seeking summary judgment on a claim for coverage under the Exxon London Policies. As a result, Exxon agreed to provide a defense to the LMI with a reservation of rights with respect to any ultimate indemnity liability, and thereafter intervened in the case. True and accurate copies of the May 11, 2010 letter, wherein Exxon agreed to provide a defense to the LMI, and the June 21, 2010 letter, wherein Exxon further reserved its rights with respect to CDE's claim that the LMI waived the right to arbitration of any coverage claims under

the Exxon London Polices, are attached to the Certification of John M. Toriello, dated March 1, 2011 and submitted on this motion.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: February 24, 2011



D. CHRISTOPHER HECKMAN

# **EXHIBIT A**

## SETTLEMENT AGREEMENT AND RELEASE

This settlement agreement and release ("AGREEMENT") is made as of the last date appearing on the signature page, by and between Exxon Mobil Corporation, ExxonMobil Pipeline Company, Imperial Oil Limited, Ancon Insurance Company, Inc., Imperial Oil Resources, Imperial Oil Resources N.W.T. Limited, and Devon Estates Limited (collectively, "PLAINTIFFS"), on the one hand, and Certain Underwriters at Lloyd's, London, and Certain London Market Insurance Companies identified in Attachment B hereto (collectively, "DEFENDANTS"), on the other hand.

### RECITALS

WHEREAS, the DEFENDANTS subscribed or allegedly subscribed to certain liability and/or "package" policies providing insurance or allegedly providing insurance to one or more PLAINTIFFS;

AND WHEREAS, the PLAINTIFFS have become and may additionally become responsible to pay sums for property damage, bodily injury, and/or personal injury in North America caused by the presence and migration of various substances in the soil, surface waters, and groundwater;

AND WHEREAS, the PLAINTIFFS and the DEFENDANTS disagree whether and to what extent the above-mentioned insurance policies obligate the DEFENDANTS to provide insurance coverage for these liabilities; this dispute being the subject of a lawsuit entitled *Exxon Corp., et al. v. Insurance Co. of North America, et al.*, No. 971376 (Calif. Super. Ct., San Francisco County, filed July 28, 1995);

AND WHEREAS, to avoid the risk, expense, and burden of further litigation, and without admitting any liability, the PLAINTIFFS and the DEFENDANTS now desire to forever settle, resolve, and terminate any and all disputes over insurance coverage for ENVIRONMENTAL LIABILITY (as defined below) and to discontinue the aforesaid litigation between them on the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises set forth below, the PLAINTIFFS and the DEFENDANTS hereby agree as follows:

#### 1. DEFINITIONS

For the purpose of this AGREEMENT only, the following terms shall have the indicated definitions:



1.1 "EXXON" means Exxon Mobil Corporation, ExxonMobil Pipeline Company, Imperial Oil Limited, Ancon Insurance Company, Inc., Imperial Oil Resources, Imperial Oil Resources N.W.T. Limited, and Devon Estates Limited, and any and all of their parents, SUBSIDIARIES, AFFILIATES, predecessors (including, but not limited to, Standard Oil Company of New Jersey, Enjay Company, Inc., Esso Standard Oil Company, Humble Oil and Refining Company, Exxon Corporation, and Standard Oil Development Company), and to the extent they are insured under the POLICIES, each of their respective directors, officers, employees, shareholders, agents, representatives, and joint ventures. EXXON shall not include Mobil Corporation, McColl Frontenac, Inc. or their respective subsidiaries except to the extent that they are insured under the POLICIES.

1.2 "SUBSIDIARIES" and "AFFILIATES" mean companies for which EXXON has or had an interest greater than 50%.

1.3 "LONDON MARKET INSURERS" shall mean all the Names, Underwriters, and syndicates at Lloyd's, London, and all the companies doing business in the London Insurance Market which severally subscribed, each in his or its own proportionate share, to one or more of the POLICIES (such insurers are identified in Attachment B to this AGREEMENT). LONDON MARKET INSURERS shall also include: (i) all Names, Underwriters, and syndicates at Lloyd's, London, whether or not identified in Attachment B hereto, who subscribed to any insurance policies incepting prior to January 1, 1993: (a) the existence of which has not presently been established but which were issued to EXXON; or (b) the existence of which has been established but the identities of the Names, Underwriters, and syndicates at Lloyd's, London, are not presently known; and, (ii) those companies doing business in the London Insurance Market (but only those companies that are identified in Attachment B hereto and that make the payment called for in Attachment D hereto), who subscribed to any insurance

policies incepting prior to January 1, 1993: (a) the existence of which has not presently been established but were issued to EXXON; or (b) the existence of which has been established but the identity of such company as a subscribing insurer is not presently known. As used herein, "companies" shall mean the named corporate entity and all predecessors, assigns, successors, affiliates, pool companies as such and subsidiaries. Notwithstanding the foregoing, the LONDON MARKET INSURERS listed in Attachment C to this AGREEMENT are not participants in or parties to this AGREEMENT and accordingly have no rights, benefits or obligations under this AGREEMENT.

1.4 "POLICIES" means all known and unknown policies of insurance to the extent subscribed or purportedly subscribed by the LONDON MARKET INSURERS, incepting prior to January 1, 1993 and providing insurance to EXXON including, but not limited to, those policies identified in Attachment A hereto.

1.4.1 POLICIES does not include policies: (a) issued to any insured before it merged with or became a SUBSIDIARY or AFFILIATE of EXXON, including policies issued to Texaco Inc. and Mobil Corporation, their predecessors, subsidiaries and affiliates; or (b) issued to Ancon Insurance Company, Inc. or Ancon Insurance Company (U.K.) Ltd., their predecessors, successors or assigns, for risks unrelated to EXXON.

1.5 "PARTY" means a party to this AGREEMENT, *i.e.*, the PLAINTIFFS and the DEFENDANTS who will be referred to collectively as PARTIES.

1.6 "PERSON" means any individual, corporation, partnership, association, trust (or estate, guardian or beneficiary thereof), entity or organization of any form whatsoever, including any federal, state, provincial or local governmental agency or quasi-governmental agency.

1.7 "NORTH AMERICA" means the United States of America, Canada, Mexico and their territories and possessions.

1.8 "POLLUTION" shall mean actual, alleged or threatened pollution, contamination, damage, injury or harm to any land, soil, watercourse, surface water, ground water, body of water, the air, the atmosphere, and any other tangible thing, or to any person or other living thing, arising out of or pertaining to the actual, alleged or threatened release, discharge, disposal, application, distribution, use or escape (including emission or seepage) of smoke, vapor, soot, fumes, acids, alkalis, chemicals, liquids, gases, waste materials, oil, petroleum or petroleum derivatives, other irritants, contaminants or pollutants from any facility, structure, vehicle, premises, landfill, disposal site or other property owned or operated by EXXON or at or to which such substances were generated, stored, transported, distributed, sold, produced or disposed of by EXXON or for which EXXON may be liable by contract, by statute or otherwise, including, but not limited to, those sites or locations identified in the COVERAGE ACTION, regardless of whether substances were known to be, or in fact, were a hazardous, contaminating or polluting substance at any particular time.

1.8.1 "ENVIRONMENTAL LIABILITY" shall mean any and all known or unknown, past, existing, potential or future claims, demands, suits, actions or requests for relief or action or forbearance of any kind or description with respect to POLLUTION, against EXXON, by any PERSON whatsoever including, without limitation:

- (a) any claim of actual, alleged, threatened or feared personal injury, bodily injury, sickness or disease;
- (b) any claim of actual, alleged, threatened or feared property damage including, without limitation, damage, destruction, loss of use, diminished value or any economic loss, and any claim relating to actual, alleged, threatened or feared damage to, destruction of, or limitation or loss of use of natural resources;
- (c) any claim seeking to compel (through injunctive or equitable relief or otherwise), the enforcement of federal, state or local statutes,

rules, regulations, ordinance or government directive or the testing, study, investigation, prevention or remediation of actual, alleged, threatened or feared POLLUTION or any claim for such costs;

- (d) any claim for nuisance, trespass, interference with quiet enjoyment of property, bad faith, sanctions, punitive or exemplary damages, statutory fines or penalties; and
- (e) any claim for costs or expenses incurred in order to comply with any environmental statute, rule, regulation, ordinance or government directive.

1.8.2 ENVIRONMENTAL LIABILITY shall not include any claims, demands, suits or actions: (a) outside of NORTH AMERICA; or (b) seeking damages for personal injury, bodily injury, sickness or disease arising out of exposure to airborne contaminants except where such personal injury, bodily injury, sickness or disease arises out of actual pollution, contamination, damage, injury or harm to any land, soil, watercourse, surface water, groundwater or body of water.

1.9 "COVERAGE ACTION" means the lawsuit entitled *Exxon Corp., et al. v. Insurance Co. of North America, et al.*, No. 971376 (Calif. Super. Ct., San Francisco County, filed July 28, 1995) including any and all claims, cross-claims, counter-claims, and third-party claims.

## 2. UNDERTAKINGS OF THE PARTIES

2.1 Each of the LONDON MARKET INSURERS listed in Attachment B shall pay to EXXON its respective, allocated, several share of the total gross settlement amount of approximately

("SETTLEMENT PAYMENT") (as set forth in Attachment D hereto). In this regard, Certain Underwriters at Lloyd's, London, shall make payment to EXXON within 60 days after signing the AGREEMENT, whereas the London Market Insurance Companies identified in Attachment B shall make payment to EXXON within 120 days after signing the AGREEMENT. The LONDON MARKET INSURERS identified in

Attachment B agree to pay a total settlement amount of no less than REDACTED

**REDACTED**

For the purpose of this paragraph, any amounts received by EXXON or its designee from Equitas Limited pursuant to the separate Agreement for the Assignment of Insurance Claims between EXXON and Equitas Limited shall be included in the calculation of the REDACTED payment to be received by EXXON or its designee from LONDON MARKET INSURERS.

2.2 Payment shall be made by wire transfer to:

Chase Manhattan Bank New York  
ABA 021-000-021  
For further credit to Exxon Corporation  
Account: REDACTED  
Reference: Environmental Insurance (NACC)

2.3 EXXON acknowledges that the obligations of the LONDON MARKET INSURERS are several, and not joint. EXXON agrees that no LONDON MARKET INSURER shall be liable for any portion of the SETTLEMENT PAYMENT allocable to any other LONDON MARKET INSURER. Accordingly, each identified LONDON MARKET INSURER listed on Attachment B agrees to pay only its individual, respective, allocated share of the SETTLEMENT PAYMENT, which amount is set forth in Attachment D hereto. EXXON shall not seek to recover from any individual LONDON MARKET INSURER an amount in excess of its stated, respective, allocated share as set forth in Attachment D hereto. Upon receipt of payment by each LONDON MARKET INSURER, EXXON shall be obligated to release each paying LONDON MARKET INSURER pursuant to the terms of Section 3 below.

2.4 Within ten (10) days of receipt of each payment referred to in Paragraph 2.1, PLAINTIFFS shall file in the COVERAGE ACTION a Request for Dismissal with Prejudice of PLAINTIFFS' operative complaint against those LONDON MARKET INSURERS that tendered payment to EXXON in the amounts set forth in

Attachment D hereto, consistent with this AGREEMENT. Each PARTY to this AGREEMENT shall bear its own costs and attorneys' fees incurred in the COVERAGE ACTION.

2.5 Whereas the London Market Insurance Companies identified in Attachment B shall make payment to EXXON within 120 days after signing the AGREEMENT, any such company failing to pay its allocated share shall be subject to an interest penalty at the rate of 9% per annum for any unpaid balance at the end of the 120 day period and for the duration that it remains unpaid, together with EXXON's reasonable attorneys' fees and costs incurred as a result of such company's failure to pay.

### 3. RELEASES

3.1 Upon EXXON's receipt of each LONDON MARKET INSURER's allocated several share of the SETTLEMENT PAYMENT, EXXON, and any subsequently appointed trustee or representative acting for EXXON, shall be deemed to remise, release, covenant not to sue and forever discharge the following: (a) that LONDON MARKET INSURER; (b) each of that LONDON MARKET INSURER's present and former officers, directors, employees, partners, shareholders, members, subsidiaries, affiliates, representatives, attorneys and agents: (i) in such capacity; and (ii) in their individual capacity; and (c) the respective heirs, executors, administrators, successors, assigns, and reinsurers (as such) of any of the PERSONS identified in subparagraphs (a) and (b) hereof; from and against all manner of action, causes of action, suits, debts, accounts, promises, warranties, damages (consequential or punitive), agreements, costs, expenses, claims or demands whatsoever, in law or in equity, whether presently known or unknown, asserted or unasserted, whether sounding in tort or contract, or arising under the statutes or administrative regulations of any jurisdiction, with respect to any and all past, present or future claims, of any type whatsoever, that EXXON ever had, now has or hereafter may have: (i) for insurance coverage, including

both defense costs and indemnification claims, in connection with ENVIRONMENTAL LIABILITY; and (ii) arising out of or relating to any act, omission, representation or conduct of any sort in connection with the POLICIES. It is the intention of EXXON to reserve no rights or benefits whatsoever under or in connection with the POLICIES with respect to ENVIRONMENTAL LIABILITY and to assure the settling LONDON MARKET INSURERS their peace and freedom from such claims and from all assertions of rights in connection with such claims.

3.1.1 Provided Certain Underwriters at Lloyd's, London, pay their allocated share identified in Attachment D, this Release extends to all those Underwriters at Lloyd's, London, that subscribed to any of the POLICIES which include both known and unknown policies as well as Equitas Reinsurance Limited and Equitas Limited as third-party beneficiaries of the terms of this Release.

3.1.2 This Release also extends to all those London Market Insurance Companies identified in Attachment B which pay their share of the SETTLEMENT PAYMENT as regards their subscription to any of the POLICIES, which include both known and unknown policies.

3.2 EXXON further waives any claim or action against the LONDON MARKET INSURERS for bad faith, breach of duty, or punitive, exemplary or extra-contractual damages of any type, arising from the actual or potential obligation(s) from which the LONDON MARKET INSURERS are released pursuant to Paragraph 3.1, above.

3.3 The LONDON MARKET INSURERS hereby release and discharge EXXON from any and all claims and liability known or unknown, that could be asserted against EXXON by the LONDON MARKET INSURERS with respect to any and all ENVIRONMENTAL LIABILITY under or arising out of the POLICIES, except as provided in Paragraph 4.1 below.

3.4 The LONDON MARKET INSURERS further waive any claim or action against EXXON for bad faith, breach of duty, or punitive, exemplary or extra-contractual damages of any type, arising from the actual or potential obligation(s) from which EXXON is released pursuant to Paragraph 3.3 above.

3.5 The PARTIES acknowledge that each of them is familiar with the provisions of Cal. Civ. Code § 1542, which provides:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

To the extent that Cal. Civ. Code § 1542 may have application, the PARTIES agree that § 1542 will not apply to the release and waivers specified in this AGREEMENT.

EXXON acknowledges that it has been advised by its attorneys concerning, and is familiar with, Cal. Civ. Code § 1542 and it expressly waives any and all rights under Cal. Civ. Code § 1542 and under any other federal or state statute or law of similar effect.

3.6 Each PARTY may allocate the SETTLEMENT PAYMENT to and amongst the POLICIES as each sees fit, and neither PARTY's allocation shall be binding on the other PARTY.

#### 4. INDEMNITY

4.1 Except as provided in Section 4.4 below, EXXON agrees that it shall defend, indemnify, save, and hold harmless each of the LONDON MARKET INSURERS that is entitled to benefit from the mutual release set forth in Section 3 above from and against all claims, including claims for indemnity, defense, subrogation, reimbursement, and/or contribution arising out of the POLICIES and relating to ENVIRONMENTAL LIABILITY asserted by: (a) any governmental entity in connection with any government program established to fund the investigation and clean-up of environmental contamination; (b) any PERSON asserting a claim pursuant to a right of



direct action or by assignment or claiming to be insured under the POLICIES; (c) any other insurer of EXXON; and (d) any former SUBSIDIARY or AFFILIATE of EXXON.

4.1.1 Provided Certain Underwriters at Lloyd's, London, pay their allocated several share in Attachment D, this indemnity extends to all those Underwriters at Lloyd's, London, who subscribed to any of the POLICIES, which include both known and unknown policies, as well as Equitas Reinsurance Limited and Equitas Limited as third-party beneficiaries of the terms of this Release.

4.2 Inasmuch as any claims identified under Paragraph 4.1 may affect the rights and interests of all PARTIES, the PARTIES shall consult and act in good faith in responding to and defending against such claims.

4.3 In connection with such defense, EXXON shall give written notice to the LONDON MARKET INSURERS of the identity of defense counsel. Absent good cause, the LONDON MARKET INSURERS shall agree to the counsel chosen by EXXON, which counsel shall indicate in all pleadings and court filings that it is acting on behalf of EXXON as the indemnitor of the LONDON MARKET INSURERS and therefore, the positions taken are not necessarily those of the LONDON MARKET INSURERS. The LONDON MARKET INSURERS may assume control of their own defense by providing to EXXON written notice of such intention, in which case, all subsequent costs associated with the defense of the proceeding or litigation shall be borne by the LONDON MARKET INSURERS.

4.4 EXXON shall have no hold harmless, indemnity, defense or other obligation to any LONDON MARKET INSURER under this Section 4 with respect to: (a) any disputes between a LONDON MARKET INSURER and one or more of its reinsurers; (b) any expense or cost already incurred by the LONDON MARKET INSURERS before the mutual release set forth in Section 3 above becomes effective; or (c) any disputes between or among the LONDON MARKET INSURERS identified in

Attachment B, including, without limitation, any disputes between or among Names, Underwriters, and syndicates at Lloyd's.

**5. WAIVER AND ASSIGNMENT OF SUBROGATION, CONTRIBUTION, AND REIMBURSEMENT RIGHTS AGAINST OTHER INSURERS**

5.1 The LONDON MARKET INSURERS agree that they shall not pursue any claims for subrogation, reimbursement or contribution of any portion of the SETTLEMENT PAYMENT from any insurer of EXXON with regard to insurance coverage for EXXON's ENVIRONMENTAL LIABILITY.

5.2 The LONDON MARKET INSURERS hereby transfer and assign to EXXON all such rights of subrogation, reimbursement or contribution it may have arising out of the SETTLEMENT PAYMENT. This provision shall not grant any rights to EXXON with respect to the LONDON MARKET INSURERS' reinsurers nor shall it affect any rights the LONDON MARKET INSURERS may have with respect to any of its reinsurers.

5.3 EXXON agrees that if it settles its coverage disputes with any other insurer regarding its ENVIRONMENTAL LIABILITY, it will use its best efforts to obtain, as part of the settlement agreement with such other insurers, a release and waiver of any subrogation, reimbursement or contribution claims that such other insurers might have against the LONDON MARKET INSURERS in a form similar to Paragraph 5.1 above.

**6. CONFIDENTIALITY**

6.1 The terms of this AGREEMENT are confidential and shall not be disclosed to any PERSON other than the PARTIES' respective directors, employees, auditors, accountants, tax preparers, taxing authorities, regulatory agencies, reinsurers, attorneys, and such other PERSONS as may be required by law. If disclosure is required by law, the disclosing PARTY will, if possible, notify the other PARTY of its intent to

make such disclosure not less than seven (7) days prior to disclosure. This AGREEMENT also may be disclosed by any PARTY in any action or proceeding to enforce the terms of this AGREEMENT provided, however, that there shall be no disclosure of the terms of this AGREEMENT until the PARTIES have had sufficient opportunity to request the court to enter a protective order to preserve the confidentiality of this AGREEMENT. Notwithstanding the foregoing, the fact of the settlement may be disclosed and shall not be confidential.

## **7. REPRESENTATION AND WARRANTIES**

7.1 The PARTIES represent and warrant that they have conducted a reasonable search for POLICIES and that all POLICIES known to them are listed on Attachment A.

7.2 Each PERSON who executes this AGREEMENT on behalf of a corporation, partnership or any other entity represents that he or she has the authority of said entity to do so.

7.3 The PARTIES agree to execute all documents and to do all things necessary to fully effectuate the terms of this AGREEMENT.

7.4 The PARTIES represent that they are not insolvent, have not filed for bankruptcy or receivership, and do not have any present intent to file for bankruptcy or receivership during the next twelve (12) months.

7.5 The PARTIES represent that, as of the date of this AGREEMENT, they have not assigned to any other PERSON any of the rights extinguished by the release given herein, with the possible exception of assignments by EXXON to certain governmental agencies, which assignments would come within the indemnity terms of Paragraph 4.1.

7.6 This AGREEMENT, and any acts in the performance of this AGREEMENT, are not intended to, nor shall they be admissible, discoverable or relevant

in any case or other proceeding for any purpose including, but not limited to, efforts to prove either the acceptance by any PARTY of any particular theory of coverage or as evidence of any obligation that any PARTY has or may have to anyone. This AGREEMENT shall be deemed to fall within the protection afforded compromises and offers to compromise under Rule 408 of the Federal Rules of Evidence and any similar state law provision, including, but not limited to, §§ 1152 and 1154 of the California Evidence Code. Nothing contained in this Paragraph, however, shall be interpreted to restrict the right of any PARTY: (a) to bring a claim or to introduce evidence predicated on a breach of this AGREEMENT; (b) to assert a defense to any claim relating to a claimed breach of this AGREEMENT; or (c) to provide proof as to the fact (as opposed to the terms) of settlement and the release provided herein.

7.7 Each PARTY shall provide such further and other written assurances necessary to effectuate the terms and intent of this AGREEMENT. In the event that a PARTY seeks a court order determining that the settlement was effective and/or in good faith, the PARTIES shall cooperate and assist each other to the fullest extent possible in obtaining said good faith settlement determination.

7.8 If any provision of this AGREEMENT is held to be illegal, invalid or unenforceable under present or future laws, such provisions shall be fully severable. In such event: (a) the AGREEMENT shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this AGREEMENT; and (b) the remaining provisions of the AGREEMENT shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provisions, or by their severance from this AGREEMENT, unless the effect of severance of such provisions shall conclusively make continued performance under this AGREEMENT impossible.

7.9 EXXON represents and warrants that it has no known claim, loss, occurrence, event or accident (hereinafter "CLAIM") for which it may seek coverage

against the LONDON MARKET INSURERS for any environmental liability outside North America. A CLAIM shall be known to EXXON if, as of the effective date of this AGREEMENT, ExxonMobil Risk Management, Inc. has information from which it could reasonably conclude that such a CLAIM may involve the POLICIES.

**8. SUCCESSORS AND ASSIGNS**

8.1 This AGREEMENT shall be binding upon and inure to the benefit of the respective successors and assigns of EXXON and the LONDON MARKET INSURERS.

**9. AMENDMENTS**

9.1 No amendment or variation of the terms of this AGREEMENT shall be valid or enforceable unless made in a writing executed by the PARTIES.

**10. CLAIMS RESOLUTION**

10.1 Should any disputes ever arise out of: (a) this AGREEMENT; or (b) any other claims presented under the POLICIES, the PARTIES may mutually agree to resolve said disputes through binding arbitration before three arbitrators pursuant to the International Arbitration Rules of the American Arbitration Association, as follows:

Each party shall appoint an arbitrator within 30 days of the respondent's receipt of the notice of arbitration. The two arbitrators so appointed shall within 30 days of the appointment of the second arbitrator, appoint a third arbitrator, who shall act as the presiding arbitrator. The place of arbitration shall be New York, New York. The language of the arbitration shall be English. The arbitrators shall render any monetary award in United States dollars. The parties waive any defense based on sovereignty, including immunity to arbitration, immunity to judicial proceedings to enforce or aid any such arbitration, and immunity to enforcement and execution of the award or any judgment entered thereon. Any award rendered hereunder may be enforced

by any court in the City of New York, the jurisdiction to which the PARTIES hereby consent.

10.2 Notwithstanding any choice of law provisions or jurisdictional provisions relating to litigation in United States courts in the POLICIES, which provisions are expressly waived, the forum for resolution of any disputes under this AGREEMENT or any other claims presented under the POLICIES shall be any court in the City of New York, the jurisdiction to which the PARTIES hereby consent. The procedural and substantive law to be applied in resolving any disputes referenced in Paragraphs 10.1 or 10.2 shall be the internal laws of the State of New York. Notwithstanding the other provisions of this Section 10: (i) that part of any claim presented under the POLICIES which may seek insurance coverage for punitive or exemplary damages shall be resolved in the courts of, and pursuant to the laws of, the jurisdiction in which the judgment assessing punitive or exemplary damages against EXXON was rendered; and (ii) subject to the express language of the notice requirements of the POLICIES, any late notice defense shall be determined in accordance with the laws of the jurisdiction in which the underlying liability arose. Provided, however, that the provisions, stipulations, exclusions, and conditions of the POLICIES are to be construed in an evenhanded fashion as between EXXON and the LONDON MARKET INSURERS; without limitation, where the language of the POLICIES is deemed to be ambiguous or otherwise unclear, the issue shall be resolved in the manner most consistent with the relevant provisions, stipulations, exclusions, conditions, and mutual intent of the parties at the time of contracting.

10.3 The LONDON MARKET INSURERS agree that service of process in any suit under this Section 10 may be made upon Mendes & Mount, 750 Seventh Avenue, New York, New York 10019-6829.

## **11. EXECUTION**

11.1 This AGREEMENT shall be executed in three (3) originals and shall become effective on the last date each original AGREEMENT has been signed by all PARTIES. One original AGREEMENT signed by the PARTIES is to be delivered to ExxonMobil Risk Management, Inc., Imperial Oil Limited, and the LONDON MARKET INSURERS, respectively, at the addresses stated in Paragraph 13.1 below.

## **12. ENTIRE AGREEMENT**

12.1 This AGREEMENT and its attachments constitute an integrated agreement, containing the entire understanding among the PARTIES regarding the matters addressed herein and, except as set forth in this AGREEMENT, no representations, warranties or promises have been made or relied upon by the PARTIES regarding this AGREEMENT. This AGREEMENT shall prevail over prior communications regarding the matters contained herein.

## **13. NOTICE**

13.1 Any notices given under this AGREEMENT shall be in writing, by facsimile transmission or overnight courier and sent to the following addresses or as the PARTIES may subsequently direct in writing:

If to LONDON MARKET INSURERS:

For Equitas Limited:

Mr. Glenn Brace  
Claims Department  
Equitas Limited  
33 St. Mary Axe  
London EC3A 8LL  
ENGLAND  
Fax: (44) 020-7-342-2100

For Atropos Management  
Services, Ltd.:

Mr. Jon Slack  
Caveat House  
14 Lovat Lane  
London EC3R 8DZ  
ENGLAND  
Fax: (44) 020-7-398-2800

With a copy to:

Richard N. Dicharry, Esq.  
Phelps Dunbar, L.L.P.  
Canal Place  
365 Canal Street, Suite 2000  
New Orleans, Louisiana 70130-6534  
Fax: 504-568-9130

If to EXXON:

Exxon Mobil Risk Management, Inc.  
Attn: President  
5959 Las Colinas Boulevard  
Irving, Texas 75039-2298  
Fax: 972-444-4646

With a copy to:

D. Christopher Heckman, Esq.  
Exxon Mobil Corporation  
5959 Las Colinas Boulevard  
Irving, Texas 75039-2298  
Fax: 972-444-1435

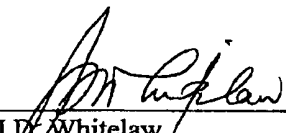
If to IMPERIAL OIL LIMITED:

Imperial Oil Ltd.  
Attn. Treasurer  
111 St. Clair Avenue West  
Toronto, Canada  
M5W1K3, Canada  
Fax: 416-968-4278



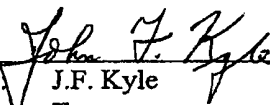
IN WITNESS WHEREOF, the PARTIES, by their duly authorized  
representatives, affix their signatures hereto:

EXXON MOBIL CORPORATION, ExxonMobil Pipeline Co., and Ancon Insurance Co.,  
Inc.

  
By: J.D. Whitelaw  
Its: President of  
ExxonMobil Risk Management, Inc.

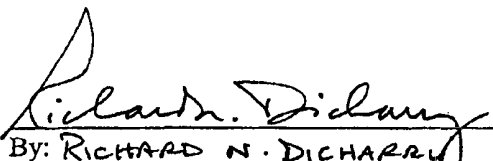
Date: June 30, 2000 *Yek*

IMPERIAL OIL LIMITED, on behalf of itself and Imperial Oil Resources, Imperial Oil  
Resources N.W.T. Limited, and Devon Estates Limited.

  
By: J.F. Kyle  
Its: Treasurer

Date: 30 June 2000

LONDON MARKET INSURERS identified in Attachment B

  
By: RICHARD N. DICHARRY  
Their: Attorney-in-Fact

Date: June 30, 2000

# EXXON CORPORATION

## ATTACHMENT A

Policies Issued/Subscribed By Entities Appearing  
In The Coverage Action As "The London Market Insurers"

### Policy Number/Reference

594/3631	594/4671	594/S4859	SS-6121
594/3632	594/4672	594/S4860	594/5670
594/3633	594/4673	3644	594/5671
594/3640	594/4827	3645	594/5672
594/3815	594/4828	3646	594/5673
594/3814	594/4829	3903	594/U.88593
594/3813	594/4830	3904	66/BH350 'A'/L (a/k/a
594/3816	594/4831	3905	CMP1A)
594/4057	594/4832	3908	594/5105
594/4058	594/4833	4089	576/5264
594/4059	594/U45941	4090	594/5525
594/4060	594/U45938	4091	594/5693
C75050	594/U45939	4092	594/5809
C75051	594/U45940	4314	507/7729/C61
C75052	594/U45937	4315	507/7730/C61
594/370323	594/U45936	4316	509/65DD747
594/370321	594/U54944	4317	509/65DD748
594/370320	594/U54941	OM3436	66/BH350/L (a/k/a
594/370322	594/U54942	594/4526	CMP-1)
594/4285	594/U54943	594/4527	71/BH110/U
594/4286	594/U54940	594/4528	71/BH268/D
594/4287	594/U54939	594/4529	71/BH269/D
594/4288	594/U55377	594/4703	71/BH324/U
594/4289	594/U61744	594/4704	71/BH325/U
594/4290	594/U61745	594/4705	71/BH326/U
594/4499	594/U61746	594/4706	71/BH327/U
594/4500	594/U61747	SS-9913	71/BH328/U
594/4501	594/U61748	594/4905	71/BH111/U
594/4502	594/U61749	594/4906	CMP-2
594/4503	594/U61750	594/4907	CMP-2A
594/4515	594/S4854	594/4908	72/BH261/Y
594/4539	594/S4855	594/5080	72/BH262/Y
594/4668	594/S4856	594/5081	72/BH263/Y
594/4669	594/S4857	594/5082	72/BH264/Y
594/4670	594/S4858	594/5083	72/BH266/Y

71710	75/BH1137(A)	78/BH2800	3KA06710
73/BH108/Y	CMP-1-1975	NML 1978	3KA06750
73/BH110/Y	76/BH1779	79/BH1814	3KA06720
73/BH111/Y	76/BH1780	79/BH1815	3KA06760
73/BH112/Y	76/BH1781	79/BH1816	3KA06730
73/BH108/Y(A)	76/BH1782	79/BH1817	NML 1983
73/BH110/Y(A)	76/BH1783	79/BH1818	3KA52220
73/BH111/Y(A)	76/BH1784	79/BH1819	3KA52230
73/BH112/Y(A)	76/BH1785	79/BH1822	3KA52240
74/BH1262	76/BH1787	79/BH1820	3KA52250
74/BH1263	76/BH1779(A)	79/BH1821	3KA52260
74/BH1264	76/BH1780(A)	NML 1979	3KA52270
74/BH1265	76/BH1781(A)	80/BH1799	3KA52280
74/BH1266	76/BH1782(A)	80/BH1800	3KA52290
74/BH1267	76/BH1783(A)	80/BH1801	NML 1984
74/BH1268	76/BH1784(A)	80/BH1802	4KA55410A
74/BH1269	76/BH1785(A)	80/BH1803	4KA55420A
74/BH1262(A)	76/BH1787(A)	80/BH1804	4KA55430A
74/BH1263(A)	NML 1976	80/BH1807	4KA55440A
74/BH1264 (A)	77/BH1611	80/BH1805	4KA55450A
74/BH1265 (A)	77/BH1612	80/BH1806	4KA55460A
74/BH1266 (A)	77/BH1613	NML 1980	4KA55470A
74/BH1267 (A)	77/BH1614	1HB14830	4KA55480A
74/BH1268(A)	77/BH1615	1HB14840	NML 1985
74/BH1269(A)	77/BH1616	1HB14850	
CMP-1-1974	77/BH1617	1HB14860	
75/BH1129	77/BH1618	1HB14870	
75/BH1130	77/BH1611(A)	1HB14880	
75/BH1131	77/BH1612(A)	1HB14890	
75/BH1132	77/BH1613(A)	1HB14900	
75/BH1133	77/BH1614(A)	1HB14910	
75/BH1134	77/BH1615(A)	NML 1981	
75/BH1135	77/BH1616(A)	2KA16950	
75/BH1136	77/BH1617(A)	2KA16960	
75/BH1137	77/BH1618(A)	2KA16970	
75/BH1129(A)	NML 1977	2KA16980	
75/BH1130(A)	78/BH2793	2KA16990	
75/BH1131(A)	78/BH2794	2KA17000	
75/BH1132(A)	78/BH2795	2KA17010	
75/BH1133(A)	78/BH2796	2KA17020	
75/BH1134(A)	78/BH2797	NML 1982	
75/BH1135(A)	78/BH2798	3KA06700	
75/BH1136(A)	78/BH2799	3KA06740	

# EXXON CORPORATION

## ATTACHMENT B

### List of Participating "London Market Insurers"

Accident & Casualty Company of Winterthur  
Accident & Casualty Company  
Agrippina Versicherungs AG  
Allianz V.A.G Munich  
Allianz International  
Allianz Insurance Limited  
Argonaut Northwest Insurance Company  
Argonaut Insurance Company

Baloise Fire Insurance Company  
Bayerische Ruck Germany  
Bishopsgate Insurance Company  
British Aviation Insurance Company  
Brittany Insurance Company per Bermuda London

C.F. & A.U. Ltd c/o Dominion Insurance Company  
Camat, France  
Certain Underwriters at Lloyd's London  
City General Insurance Company  
City Insurance Company  
CNA Re  
Commercial Union Assurance Company Ltd  
Compagnie Europeene D'Assurances Industrial  
Continental of London  
Cornhill Insurance

Danish Marine per ICI  
Delta-Lloyd Non Life  
Dominion Insurance Company  
Dowa Insurance Co (UK) Limited  
Drake Insurance Company

Eagle Star Insurance Co.  
Economic Insurance Company  
Edinburgh Insurance Company  
European General Reinsurance Co.  
Excess Insurance Company

Fidelidade Insurance Company  
Folksam International

Generali Insurance Company  
Gerling-Konzern Allgemeine Vers. A.G.  
Gibbon Insurance Company  
Gibbon Pool

Hansa Marine Insurance Company  
Helvetia Accident  
Home & Overseas Insurance Company

Indemnity Marine Insurance Company  
Institute of London Underwriters\*  
IRB, Brazil (Institu de Reassurance do Brazil)

LIRMA\*  
London & Edinburgh General Insurance

Minster Insurance per Heywood  
Minster/ Reliance/ Iron Trades

National Casualty Company of North America  
National Casualty Company  
Nippon Insurance Company  
Nippon Fire & Marine Japan  
Northeastern Insurance Company

Ocean Marine Insurance Company

Pennsylvania Lumbermen's Mutual Insurance Company  
Progressive Casualty Insurance Company  
Prudential City

Ranger Insurance Company  
Reinsurance Corporation of New York  
Republic Insurance Company  
Riunion Adriatica di Sicurta (RAS)  
River Thames  
Royal Belge D'Assurance S.A.  
Royal Reinsurance Company  
Royal Scottish Insurance Company

Scan per Sedgwick  
Scottish Lion Insurance Company  
Skandia Insurance Company  
Southern Insurance Company  
Sphere Insurance Company  
St. Katherine Insurance Company PLC  
St. Katherine Insurance Company  
Storebrand Insurance  
Stronghold  
Swiss Reinsurance Co.  
Swiss Union per Heyward  
Switzerland General Insurance Company

Taisho Marine & Fire  
Terra Nova Insurance Company  
Threadneedle Insurance Company  
Tokio Marine & Fire  
Turegum Insurance Company

U.M.A. c/o Dominion Insurance Company  
Unionamerica Insurance Company

Winterthur Swiss Insurance Company  
World Marine & General Insurance Company  
World Auxiliary Insurance Company

\*Companies contributing under either "The Institute of London Underwriters," "LIRMA" or as part of a "pool" with a non-ILU or LIRMA company, are as follows:

Alba General Insurance Company  
Anglo Saxon Insurance Associates Limited  
Assicurazioni Generali S.P.A.  
Assurances Generales de France, U.K.  
Atlas Assurance Company Limited  
The British Fire Insurance Company Limited  
British Law Insurance Company  
British Traders Insurance Company Limited  
CIGNA International formerly Home Insurance Company  
Consolidated European Reinsurance Company  
Dai Tokyo Fire & Marine Insurance Company Limited  
Insurance Company of North America  
Iron Trades Mutual Insurance Company Limited  
Liverpool Marine & General Insurance Company Limited  
London and Hull Maritime Insurance Company Limited  
London Assurance Company  
Marine Insurance Company  
The Motor Union Insurance Company Limited  
The Northern Maritime Insurance Company Limited  
Norwich Union Fire Insurance Society Limited  
Pearl Assurance Company  
Phoenix Assurance Public Limited Company  
Planet Assurance Company Limited  
Progressive Insurance Company Limited  
Provincial Insurance plc  
Polaris Assurance Company  
Reliance Marine Insurance Company  
Road Transport & General Insurance Company  
Royal Insurance Formerly British Fire Insurance Company  
The Sumitomo Marine & Fire Insurance Company (Europe)  
Swiss National Insurance Company Limited  
Trent Insurance Company  
Ulster Marine Insurance Company Limited  
Vanguard Insurance Company  
Vesta (U.K.) Insurance Company Limited  
Wurtembergische Assurance Company  
Yorkshire Insurance Company

# **EXXON CORPORATION**

## **ATTACHMENT C**

### **List of Insolvent/Non-Represented "London Market Insurers"**

**ANDREW WEIR INSURANCE COMPANY LIMITED**

**BELLEfonte INSURANCE COMPANY  
BERMUDA FIRE & MARINE INSURANCE COMPANY LIMITED  
BRITISH COMMERCIAL INSURANCE COMPANY  
BRITISH NATIONAL LIFE ASSURANCE COMPANY LIMITED  
BRITISH NATIONAL INSURANCE COMPANY LIMITED  
BRYANSTON INSURANCE COMPANY LIMITED**

**DART & KRAFT INSURANCE COMPANY LIMITED**

**EL PASO INSURANCE COMPANY LIMITED  
ENGLISH AND AMERICAN INSURANCE COMPANY LIMITED**

**FORSKRINGSAKTIEBOLAGET SVENSKA VERITAS**

**HANOVER INSURANCE COMPANY UK**

**INSURANCE CORPORATION OF IRELAND PLC**

**KOREAN REINSURANCE COMPANY**

**THE LONDON & OVERSEAS INSURANCE COMPANY LIMITED  
LOUISVILLE INSURANCE COMPANY LIMITED  
LUDGATE INSURANCE COMPANY LIMITED**

**MENTOR INSURANCE COMPANY (UK) LIMITED  
MUTUAL REINSURANCE COMPANY LIMITED**

**NORTH ATLANTIC INSURANCE COMPANY LIMITED**

**THE ORION INSURANCE COMPANY PLC**

**SEABOARD SURETY COMPANY  
S.I.S. HOLDING A.G.  
SLATER WALKER INSURANCE COMPANY LIMITED  
SOUTHERN AMERICAN INSURANCE COMPANY  
SOVEREIGN MARINE & GENERAL INSURANCE COMPANY LIMITED  
ST. HELENS INSURANCE COMPANY LIMITED**

**THE INSURANCE CORPORATION OF IRELAND LIMITED**



UNITED STANDARD INSURANCE COMPANY LIMITED

WALBROOK INSURANCE COMPANY LIMITED

YASUDA FIRE AND MARINE INSURANCE COMPANY (UK) LIMITED

YASUDA FIRE AND MARINE INSURANCE COMPANY OF EUROPE LTD

## **EXHIBIT B**

LENDES & MOUNT, LLP

750 SEVENTH AVENUE

NEW YORK, NY 10019-6829

TELEPHONE: (212) 261-8000

FACSIMILE: (212) 261-8750

LOS ANGELES OFFICE  
445 SOUTH FIGUEROA STREET  
THIRTY-EIGHTH FLOOR  
LOS ANGELES, CA 90071-1601  
TELEPHONE: (213) 955-7700  
FACSIMILE: (213) 955-7725

NEW JERSEY OFFICE  
ONE NEWARK CENTER  
NEWARK, NJ 07102-5259  
TELEPHONE: (973) 639-7300  
FACSIMILE: (973) 639-7350

John G. McAndrews, Esq.  
Direct Dial: (212) 261-8205  
john.mcandrews@mendes.com

March 18, 2009



**VIA FEDERAL EXPRESS**

Exxon Mobil Risk Management, Inc.  
Attn: President  
5959 Las Colinas Boulevard  
Irving, TX 75039-2298

Re: Exxon-London Insurer Settlement Agreement  
CDE and FPE/Reliance Claims  
Superior Court, Mercer County, New Jersey  
Docket No. MER-L-5192-96 and No. MER-L-2773-02

Dear Sir:

We write to you pursuant to the terms of the Settlement Agreement and Release dated June 30, 2000 between Exxon Mobil Corp. ("Exxon"), et al. and Certain Underwriters at Lloyd's, London and Certain London Market Insurance Companies ("London Insurers") ("Settlement Agreement").

You may already be (and Exxon certainly is) familiar with the captioned litigation. Exxon's captive insurer, Ancon, is a party, as are Federal Pacific ("FPE")<sup>1</sup>, whose representation we understand is funded by Exxon, and Cornell-Dubiler Electronics ("CDE"). In the captioned litigation FPE and CDE, *inter alia*, seek to require London Insurers to respond to claims arising from "ENVIRONMENTAL LIABILITY" (as the term is defined in the Settlement Agreement").

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<sup>1</sup> Federal Pacific Electric Co. and Cornell-Dubiler Electronics, Inc. are both former "SUBSIDIARIES and AFFILIATES" of Exxon as the term is defined in the Settlement Agreement.

**Mendes & Mount, LLP**

March 18, 2009

Page 2

In the captioned litigation, CDE initially sued on a number of pre-1980 policies including those severally subscribed by some of the London Insurers. Recently, CDE, having consistently denied that it was insured after 1980, changed its position and asserted coverage as an insured under policies in force from 1980 through 1983 severally subscribed by London Insurers that name "Exxon Corp." (now Exxon) as the insured ("Exxon London Policies").

While the Exxon London Policies name Exxon's then subsidiary Reliance Electric Co. ("Reliance") and its affiliates (which then included FPE and CDE) as an additional insured, it is London Insurers' understanding that Exxon elected not to have Reliance (and its affiliates FPE and CDE) insured directly by London Insurers, but instead chose to have these companies insured by Ancon.<sup>2</sup> Underwriters note that, in response to discovery propounded to Exxon earlier in the litigation seeking the production of all relevant policies of insurance, Exxon produced the Ancon policies but not the Exxon London Policies. Nevertheless, CDE is claiming rights under the direct Exxon London Policies.

*Inter alia*, under the Settlement Agreement Exxon released London Insurers from all claims related to ENVIRONMENTAL LIABILITY by EXXON (which term includes FPE and CDE) (*see* Para. 3.1 of the Settlement Agreement) and also agreed to indemnify London Insurers for any liability that they might incur under the Exxon London Policies for ENVIRONMENTAL LIABILITY (*see* Para 4.1 of the Settlement Agreement).

London Insurers request Exxon to confirm that it will fully indemnify them for any liability that they may incur to FPE and/or CDE in connection with claims relating to any ENVIRONMENTAL LIABILITY, including those at issue in the captioned litigation. Rather than requiring Exxon to defend London Insurers against such claims, London Insurers propose that pursuant to Para. 4.2 of the Settlement Agreement London Insurers consult and work with Exxon in responding to the claims under the Exxon London Policies and that Exxon pay a reasonable portion of the attorney costs that London Insurers incur in respect of defending claims against the Exxon London Policies.

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<sup>2</sup> London Insurers reinsured Ancon, but were released from any further obligation to Ancon in respect of "ENVIRONMENTAL LIABILITY" under the terms of the Settlement Agreement.

**Mendes & Mount, LLP**

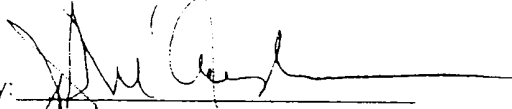
March 18, 2009

Page 3

As you may be aware (and as Ancon's counsel is aware) there are motions pending that impact the Exxon London Policies that Exxon may determine require its immediate consideration.

Very truly yours,

MENDES & MOUNT, LLP

By:   
John G. McAndrews

JGM/cb

cc: D. Christopher Heckman, Esq.  
Exxon Mobil Corporation  
5959 Las Colinas Boulevard  
Irving, TX 75039-2298